

Worksheet H

Calculation of Earnings Before Taxes With and Without Pollution Control Project Costs

A. Earnings Without Pollution Control Project Costs

$$\text{EBT} = \text{R} - \text{CGS} - \text{CO}$$

Where: EBT = Earnings Before Taxes

R = Revenues

CGS = Cost of Goods Sold (including the cost of materials, direct labor, indirect labor, rent and heat)

CO = Portion of Corporate Overhead Assigned to the Discharger (selling, general, administrative, interest, R&D expenses, and depreciation on common property)

Three Most Recently Completed Fiscal Years

	19____	19____	19____	
R	\$ _____	\$ _____	\$ _____	(1)
CGS	\$ _____	\$ _____	\$ _____	(2)
CO	\$ _____	\$ _____	\$ _____	(3)
EBT [(1) - (2) - (3)]	\$ 	\$ 	\$ 	(4)

Considerations: Have earnings before taxes changed over the three year period? If so, what would a "typical" year's EBT be? Please explain below.

Worksheet H, Continued

B. Earnings With Pollution Control Project Costs

$$\text{EWPR} = \text{EBT} - \text{ACPR}$$

Where: EWPR = Earnings with Pollution Control Project Costs

EBT = Earnings Before Taxes (4)

ACPR = Total Annual Costs of Pollution Control Project [Worksheet G, (5)]

	19__*
EBT (4)	\$ (5)
ACPR [Worksheet G, (5)]	\$ (6)
EWPR [(5) - (6)]	\$ (7)

* The most recently completed fiscal year

Considerations: Is the discharger expected to have positive earnings after paying the annual cost of pollution control? ☐ Yes ☐ No

Additional Comments:
